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ABSTRACT

In February 1990, the U.S. Supreme Court mandated in Sullivan versus Zebley that, in determining eligibility for Supplemental Security Income (SSI), the Social Security Administration expand its medical standards for assessing mental impairments in children and consider individualized functional assessments of how each child's impairment limits his/her ability to act and behave in age-appropriate ways. From 1989 to 1993, the number of children receiving SSI disability benefits more than doubled, growing from almost 300,000 to more than 770,000. Through 1992, the new functional assessment process added 87,900 children to the disability rolls who previously would have been denied benefits, accounting for about 30 percent of all awards made. Increases in the number of children awarded benefits because of mental impairments accounted for more than two-thirds of the growth in awards. Most awards to children with mental impairments go to those with mental retardation. The portion of mental awards to children with "behavior problems," such as attention deficit hyperactivity disorder, personality disorders, and autism/pervasive developmental disorders, has accounted for 22 percent of the awards made to children with mental impairments. An appendix describes the study's scope and methodology. (JDD)

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United States General Accounting Office

GAO

Report to the Honorable Gerald D. Kleczka, House of Representatives

September 1994

SOCIAL SECURITY

Rapid Rise in Children on SSI Disability Rolls Follows New Regulations

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GAO

United States
General Accounting Office
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Health, Education, and
Human Services Division

B-256120

September 9, 1994

The Honorable Gerald D. Kleczka
House of Representatives

Dear Mr. Kleczka:

This report responds to your request for information about the recent growth in the number of children receiving disability benefits under the Supplemental Security Income (SSI) program administered by the Social Security Administration (SSA). From 1989 to 1993, the number of children receiving SSI disability benefits has more than doubled, growing from almost 300,000 to more than 770,000.

Rising numbers of children in poverty and SSA outreach efforts explain part of this growth. This report focuses on two other significant changes, which in concert had a major impact on SSA's criteria for determining whether children are eligible for SSI disability benefits. First, in February 1990, the U.S. Supreme Court mandated in Sullivan v. Zebley that SSA make its disability criteria for children less restrictive by adding to its disability determination process a new basis for awarding benefits to children who previously would have been denied. For those children who do not qualify for benefits on the basis of medical standards alone, the Court required SSA to add an individualized functional assessment (IFA) of how each child's impairment limits his or her ability to act and behave in age-appropriate ways.[1] SSA issued regulations to this effect in February 1991. Second, in December 1990, SSA issued regulations revising and expanding its medical standards for assessing mental impairments in children by incorporating functional criteria into the standards and adding such impairments as attention deficit hyperactivity disorder. These changes were made to reflect advances in medicine and science, in accordance with the Disability Benefits Reform Act of 1984 (DBRA).

Concern has recently focused on the rapid growth in disability awards since the Zebley Supreme Court decision, especially for children with mental impairments. Of particular concern are children awarded benefits because of attention deficit hyperactivity disorder and other disorders that have been broadly characterized as "behavior problems."

[1]The medical standards are divided into two sections: one for adults and one for children. The medical standards for childhood impairments are regulations containing strict medical criteria for physical and mental impairments that, in and of themselves, are comparable in severity to impairments that would prevent adults from engaging in any gainful activity. Children can also qualify for benefits under the adult criteria.

In your June 20, 1994, request, you asked us to address a number of issues related to the growing number of children receiving SSI disability benefits. This report responds to your request that we quantify the growth in awards to children with disabilities since the disability criteria changed, focusing in particular on the growth in awards for mental impairments and the growth in awards based on the new functional assessment process. Subsequent reports will quantify the variation among states in the rate of growth in awards to children and address your concerns about whether the program is adequately meeting the needs of disabled children.

To quantify the growth in awards to children, we compared the results of SSA's disability decisions made on children by type of disability and basis of award 2 years before and 2 years after the criteria changed. The early period covers decisions made from January 1, 1988, through February 20, 1990—the date of the Supreme Court decision. The latter period covers decisions made from February 11, 1991—the first date both changes were in effect—through December 31, 1992. (See app. I for a more detailed discussion of our scope and methodology.)

Results in Brief

The number of children receiving SSI disability benefits has more than doubled in the last 4 years. Many Members of Congress have expressed concern about this growth. While much of the attention has focused on the Sullivan v. Zebley Supreme Court decision as the cause of this growth, our analysis shows a more complicated picture. Although the new functional assessment process established by Zebley added 87,900 children to the disability rolls through 1992 who previously would have been denied benefits, this new process only accounts for about 30 percent of all awards made since it was implemented. In contrast, 70 percent of all awards went to children whose impairments were severe enough to qualify on the basis of SSA's medical standards alone, without the need for a functional assessment. Thus, most of the children who received new awards would have qualified for them even without the functional assessment process mandated by the Zebley decision.

Huge increases in the number of children awarded benefits because of mental impairments—including children with mental retardation and other mental disorders, such as attention deficit hyperactivity disorder—account for more than two-thirds of the growth in awards. After the changes revising the medical standards for mental impairments and adding the functional assessment process, 60 percent of awards based on the medical standards and 82 percent of awards based on the functional assessment

process went to children with mental impairments. Table 1 shows the growth in awards by type of impairment and basis of award.

Table 1: Growth in Awards by Type of Impairment and Basis of Award

	Average monthly awards			
	Based on medical standards		Based on functional assessment	
Type of impairment	Before regulatory changes	After regulatory changes	Before regulatory changes	After regulatory changes
Mental	1,854	5,501	0	3,192
Physical	1,691	3,664	0	683
Unknown	2	18	0	8
Total	3,547	9,183	0	3,883

Source: Analysis of SSA's 831 file.

Most awards to the mentally impaired go to children with mental retardation. While the portion of mental awards to children with "behavior problems," such as attention deficit hyperactivity disorder, personality disorders, and autism and other pervasive developmental disorders is growing, it is still relatively small. From February 11, 1991, through 1993, children with "behavior problems" have received 22 percent of awards made to children with mental impairments.

SSI Program for Children Has Undergone Major Changes

Since 1974, the SSI program has been providing benefits to low-income blind and disabled persons—children and adults—who meet financial eligibility requirements and the Social Security Act's definition of disability.[2]

Each eligible child receives a maximum federal benefit of $446 per month; 27 states also provide a supplemental benefit payment.[3] In 1993, children received a total of $4.35 billion in federally administered SSI benefits.

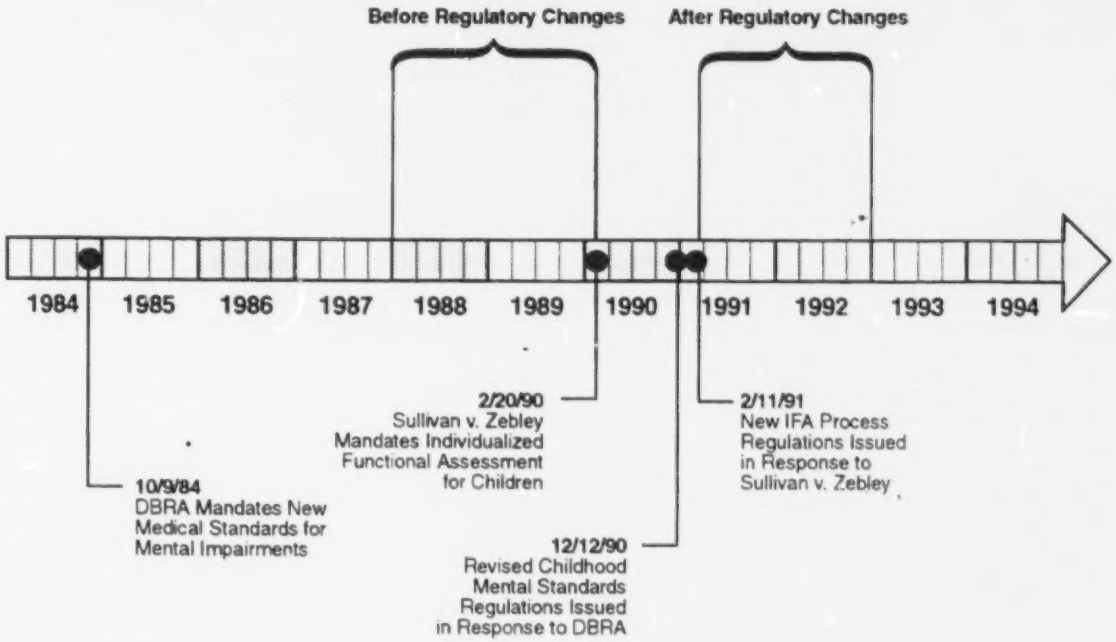
[2]SSA determines applicants' financial eligibility; state disability determination services (DDS) determine their medical eligibility. DDSs are state agencies funded and overseen by SSA.

[3]Five additional states provide supplemental SSI benefit payments only to children who are blind and three states provide supplemental benefits only to children who live in residential care homes.

Changes to SSA's Criteria for Determining Disability in Children

During virtually the same period, SSA issued two sets of regulations that changed the criteria for determining children's eligibility for SSI disability benefits. (See fig. 1.) One set of regulations was issued in response to the Sullivan v. Zebley Supreme Court decision, which required SSA to make its process for determining disability in children analogous to the adult process. The second set of regulations, issued in accordance with DBRA, revised and expanded SSA's medical standards for evaluating mental impairments in children to incorporate recent advances in medicine and science. Both sets of regulations place more emphasis than before on assessing how children's impairments limit their ability to act and behave like unimpaired children of similar age. Both also emphasize the importance of obtaining evidence from nonmedical sources as part of this assessment.

Figure 1: Changes to SSA's Criteria for Evaluating Disability in Children



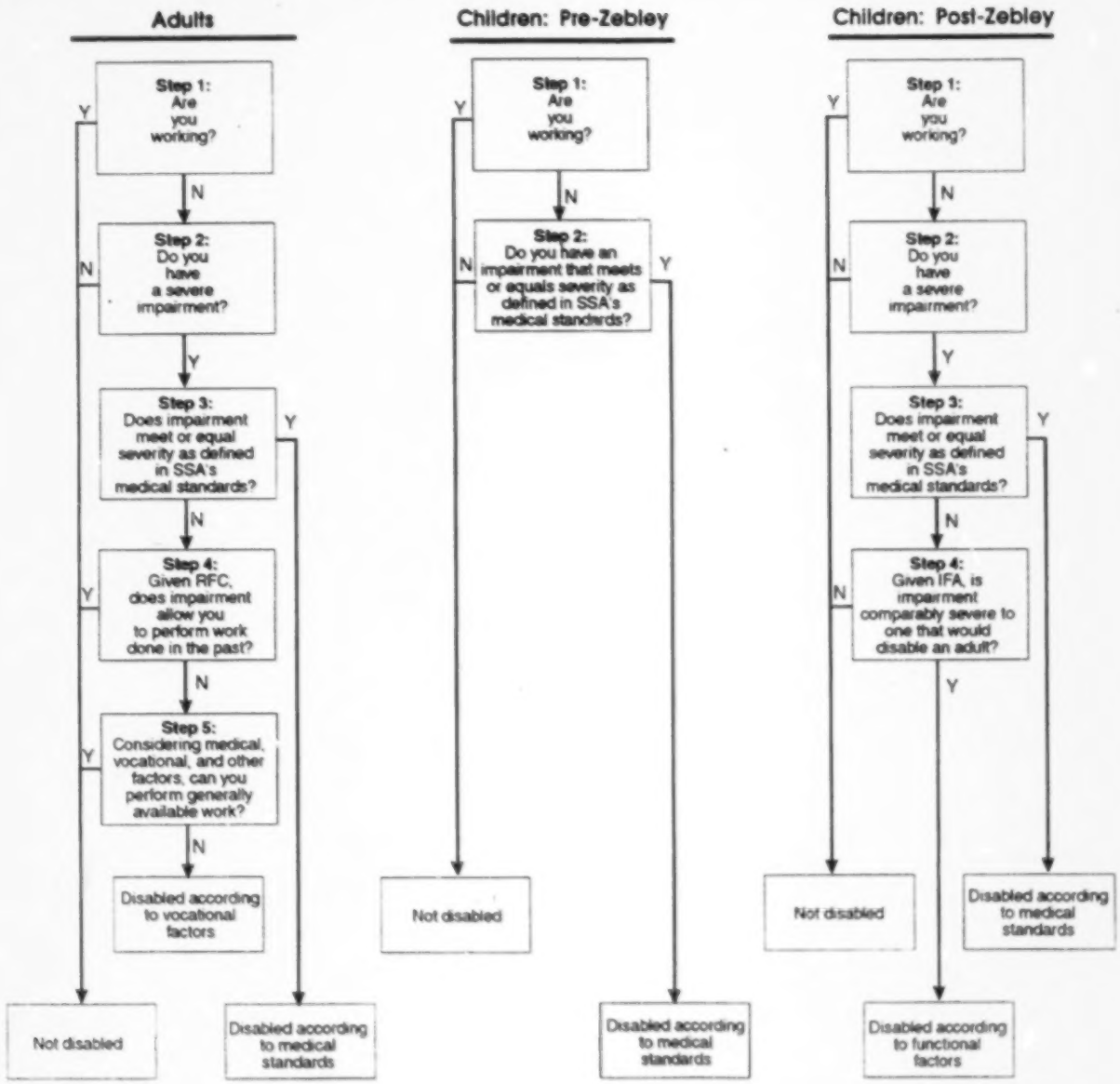
Zebley Regulations Add New Functional Assessment Process

On February 20, 1990, the Supreme Court ruled that SSA's process for determining disability in children under 18 violated the Social Security Act because the process held children to a more restrictive disability standard than it did adults. Under the Social Security Act, a child is entitled to disability benefits if his or her impairment is "of comparable severity" to that of an adult.[4]

To determine adults' eligibility for disability benefits, SSA uses a five-step sequential evaluation process. Before Zebley, it used only a two-step process to determine children's eligibility for benefits. (See fig. 2.) Children were awarded benefits only if their impairments met or equaled the severity criteria in SSA's medical standards. All other children were denied benefits. In contrast, adults who did not qualify under the standards could still be found eligible for benefits if an assessment of their "residual functional capacity" (RFC) showed that they could not engage in substantial work. No analogous assessment of functioning was done for children who did not qualify under the medical standards.

[4]Disability for adults is defined as the inability to engage in substantial gainful activity because of a medically determinable physical or mental impairment that is expected to last at least 12 months or to result in death. Substantial gainful activity is defined as earning more than $500 per month.

Figure 2: Sequential Evaluation Process for Adults Versus Children


Adults
Step 1: Are you working?
Y
N
Step 2: Do you have a severe impairment?
N
Y
Step 3: Does impairment meet or equal severity as defined in SSA's medical standards?
Y
N
Step 4: Given RFC, does impairment allow you to perform work done in the past?
Y
N
Step 5: Considering medical, vocational, and other factors, can you perform generally available work?
Y
N
Disabled according to vocational factors
Not disabled
Disabled according to medical standards
Children: Pre-Zebley
Step 1: Are you working?
Y
N
Step 2: Do you have an impairment that meets or equals severity as defined in SSA's medical standards?
N
Y
Not disabled
Disabled according to medical standards
Children: Post-Zebley
Step 1: Are you working?
Y
N
Step 2: Do you have a severe impairment?
N
Y
Step 3: Does impairment meet or equal severity as defined in SSA's medical standards?
Y
N
Step 4: Given IFA, is impairment comparably severe to one that would disable an adult?
N
Y
Not disabled
Disabled according to medical standards
Disabled according to functional factors

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To eliminate this disparity, the Court mandated that for those children who do not qualify for benefits under the more restrictive medical standards, SSA must add a less restrictive individualized assessment of how the child's impairment affects his or her ability to function in age-appropriate ways—that is, to act or behave in ways that children of similar ages normally do—before it can decide whether the child is eligible for benefits.

SSA issued regulations implementing the Supreme Court's decision on February 11, 1991.[5] According to these regulations, for the child to be eligible for disability benefits, the functional assessment must show that the child's impairment or combination of impairments limits his or her ability "to function independently, appropriately, and effectively in an age-appropriate manner." Specifically, the impairment must substantially reduce the child's ability to grow, develop, or mature physically, mentally, or emotionally to the extent that it limits his or her ability to (1) attain age-appropriate developmental milestones; or (2) attain age-appropriate daily activities at home, school, play, or work; or (3) acquire the skills needed to assume adult roles.

As a result of these regulations, DDSs now perform an individualized functional assessment to assess the child's social, communication, cognitive, personal and behavioral, and motor skills, as well as his or her responsiveness to stimuli and ability to concentrate, persist at tasks at hand, and keep pace.[6] In addition to information from medical sources, DDSs obtain information about the child's behavior and activities from the

[5]In the wake of the Zebley decision, SSA stopped denying benefits to children whose impairments did not meet or equal the medical standards. It operated under an interim policy for determining disability in children until the regulations went into effect. The interim policy outlined preliminary general criteria for assessing functioning in children.

[6]Social skills, communication skills, cognitive skills, and motor skills are assessed for children of all ages. Personal and behavioral skills are assessed for children aged 1 and older. The ability to concentrate, persist at tasks at hand, and keep pace are assessed for children aged 3 and older; responsiveness to stimuli is assessed in children under age 1.

child's teachers, parents, and others knowledgeable about the child's day-to-day functioning, in order to make these assessments.[7]

As part of the settlement of the Zebley case, SSA also agreed to readjudicate under the new criteria—including the new medical standards for childhood mental impairments—all decisions made from January 1, 1980, through February 11, 1991, to deny or terminate benefits to children. Of the 287,900 children who have had their cases readjudicated through March 1, 1994, 129,700 children have been found eligible under the new criteria—an award rate of 45 percent.[8]

Regulations Substantially Change Criteria for Assessing Children's Mental Impairments

SSA issued new regulations in accordance with DBRA on December 12, 1990, that revised and expanded its medical standards for childhood mental impairments to reflect up-to-date terminology used by mental health professionals and recent advances in knowledge, treatment, and methods of evaluating mental disorders in children.[9]

The new medical standards for mental impairments provide much more detailed and specific guidance on how to evaluate mental disorders in children than the former regulations, which were published in 1977. In particular, the new medical standards place much more emphasis on the importance of assessing how a child's mental impairment limits his or her ability to function in age-appropriate ways. SSA made this change because mental health professionals consider functional factors particularly important in evaluating mental disorders of children.

[7]The regulations issued in response to Zebley also expanded the criteria for determining whether a child qualified for benefits under the medical standards by adding the concept of "functional equivalence." Before Zebley, a child qualified for benefits under the medical standards only if his or her impairment met the severity criteria in the standards or were medically equivalent to the standards.

After Zebley, a child could also qualify for benefits under the medical standards if the functional limitations resulting from his or her impairment were the same as the disabling functional consequences of an impairment listed in the medical standards, as long as there was a direct, medically determinable cause for the functional limitations. The regulations provide 15 examples of conditions—such as the need for a major organ transplant—presumed to be functionally equivalent to the impairments listed in the medical standards.

[8]As of March 1, 1994, SSA had notified almost 452,500 Zebley class members that they could have their cases readjudicated, of which over 321,600 responded affirmatively. Of the 321,600, SSA has readjudicated about 287,900 cases. About 33,700 cases remain to be readjudicated.

[9]DBRA specifically mandates that the Secretary of Health and Human Services (HHS) revise the mental disorders criteria in the medical standards. The mental disorder standards are divided into two parts—one for adults and one for children. The act states that the revised standards should realistically evaluate the ability of a mentally impaired individual to work in a competitive environment. It does not specify how to apply this criterion to children.

ii

The former medical standards for mental impairments emphasized the medical characteristics that must be met to substantiate the existence of the impairment. Specific areas of functioning sometimes were and sometimes were not mentioned as a factor in this determination. In contrast, the new medical standards provide much more detailed guidance on assessing the functional aspects of each impairment. The standard for most impairments is divided into two parts: medical and functional criteria, both of which must be satisfied for the applicant to qualify for a benefit.

The functional criteria are described in terms of the age of the child and the specific areas of functioning—such as social, communication, or cognition skills—that must be assessed. Like the Zebley regulations, the new medical standards emphasize the importance of parents and others as sources of information about a child's day-to-day functioning.

The new medical standards also classify childhood mental disorders into more distinct categories of mental impairments. Previously, there were 4 impairments listed—mental retardation, chronic brain syndrome, psychosis of infancy and childhood, and functional nonpsychotic disorders—now there are 11. Several of the newly listed impairments, such as autism and other pervasive developmental disorders, mood disorders, and personality disorders, describe impairments that were previously evaluated under one or more of the four broader categories of childhood mental impairments. Several other impairments are mentioned for the first time, such as attention deficit hyperactivity disorder and psychoactive substance dependence disorders.

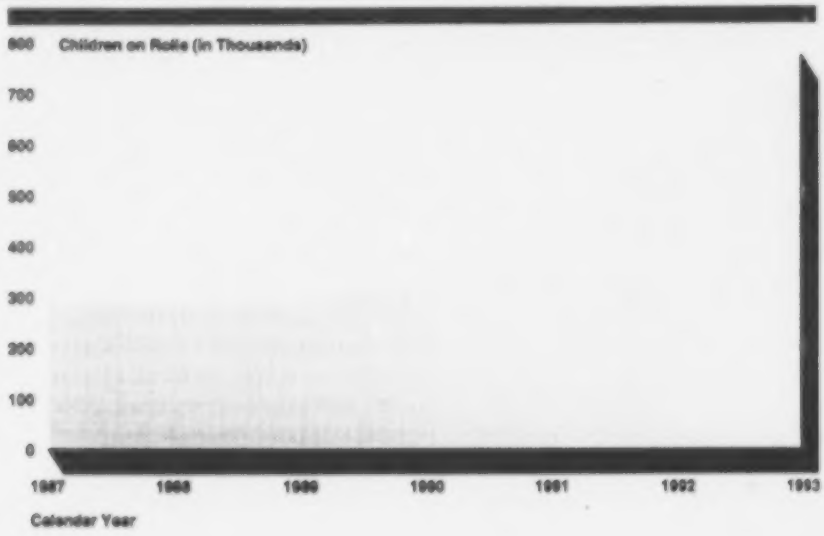
Rapid Growth in Number of Children Receiving SSI

The number of children receiving SSI disability benefits has grown rapidly since the regulatory changes went into effect. The number of children receiving SSI disability benefits rose from 296,300 at the end of 1989—2 months before Zebley—to 770,500 at the end of 1993.[10] (See fig. 3.) Over the same time, children also became a larger portion of the SSI disability rolls—up from 11.5 percent to 19.9 percent.[11]

[10]Figures include children under 22.

[11]The SSI program also provides benefits to low-income persons aged 65 and older. Children represented 6.5 percent of the total SSI population at the end of 1989 and 12.9 percent of the total SSI population at the end of 1993.

Figure 3: an Increasing Number of Children Receive SSI

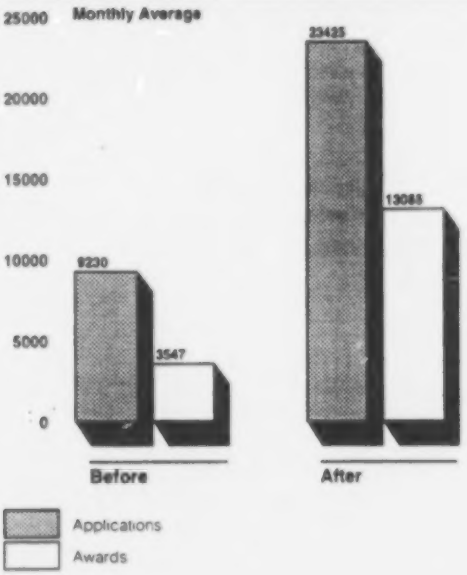


Source: Annual Statistical Supplements to the Social Security Bulletin

Large Increases in Applications and Awards

The growth in the rolls is the result of huge increases in both applications and awards for children's disability benefits. (See fig. 4.) After both regulatory changes went into effect, DDSs acted on 23,400 applications each month—more than 2-1/2 times the monthly average before the changes. Awards grew even more dramatically than applications. Average monthly awards almost quadrupled, from 3,500 before the regulatory changes to 13,100 afterwards. Awards grew more sharply than applications because the percentage of applications resulting in awards—the award rate—also rose substantially. Before the changes, a little more than a third (38 percent) of the children who applied for disability benefits received awards. After the changes, more than half (56 percent) of the children received awards.

Figure 4: Growth in Applications and Awards



Source: Analysis of SSA's 831 file

Medical Standards Account for Most of Award Growth

Even after Zebley added the new functional assessment process, 70 percent of the children awarded benefits—a total of 207,900 children—had physical or mental impairments severe enough to qualify for disability benefits under SSA's strict medical standards alone, without the need to perform an IFA.[12] In contrast, 30 percent—a total of 87,900 children—qualified under the less restrictive functional assessment criteria.

Large increases in the number of children qualifying under the medical standards—including those with physical impairments—also account for more than half of the growth in awards. Awards based on the standards more than doubled—increasing from 3,500 per month before the regulations changed to 9,200 per month afterwards—accounting for 59 percent of the growth in awards.

[12]The 207,900 awards based on the medical standards include 15,000 awards to children who qualified under the medical standards' new "functional equivalence" criteria added by the Zebley regulations. These children would have been denied benefits before Zebley. The 15,000 awards—700 per month—represent 5 percent of all awards made after Zebley.

In comparison, the new functional assessment process, which made it possible for children who did not qualify on the basis of the medical standards alone to be eligible for awards, added an average of 3,900 children to the rolls each month, accounting for 41 percent of the growth in awards.

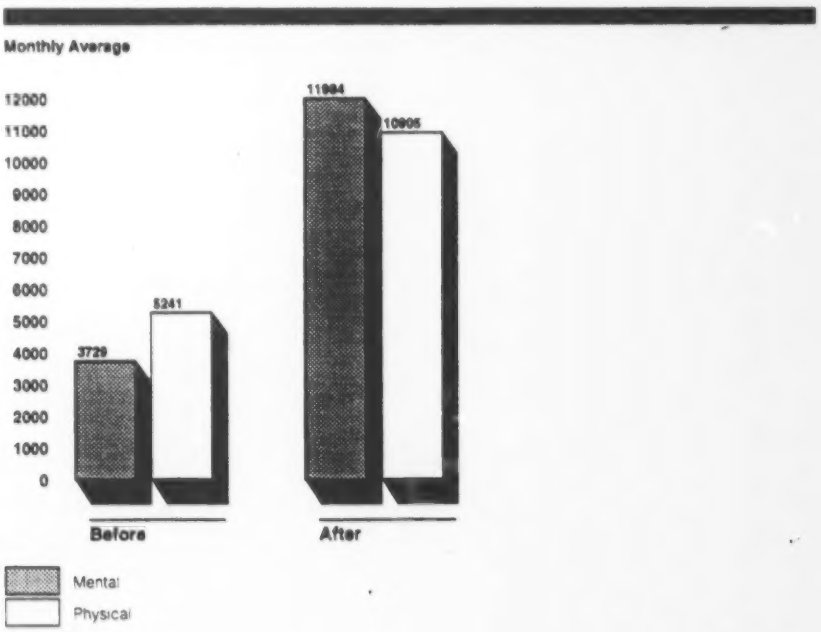
Growth Most Dramatic for Children With Mental Impairments

More than half of the growth in applications and more than two-thirds of the growth in awards is from children with mental impairments, including mental retardation and other mental disorders.

Applications Tripled for Children With Mental Impairments

Applications for children with mental impairments rose faster than applications for children with physical impairments. Applications for children with mental impairments more than tripled, from 3,700 per month before the changes to 12,000 per month afterwards, while applications for children with physical impairments more than doubled, from 5,200 to 10,900 per month. (See fig. 5.) After the changes, 51 percent of the applicants had mental impairments, compared with 40 percent before.

Figure 5: Larger Increase in Applications for Children With Mental Impairments



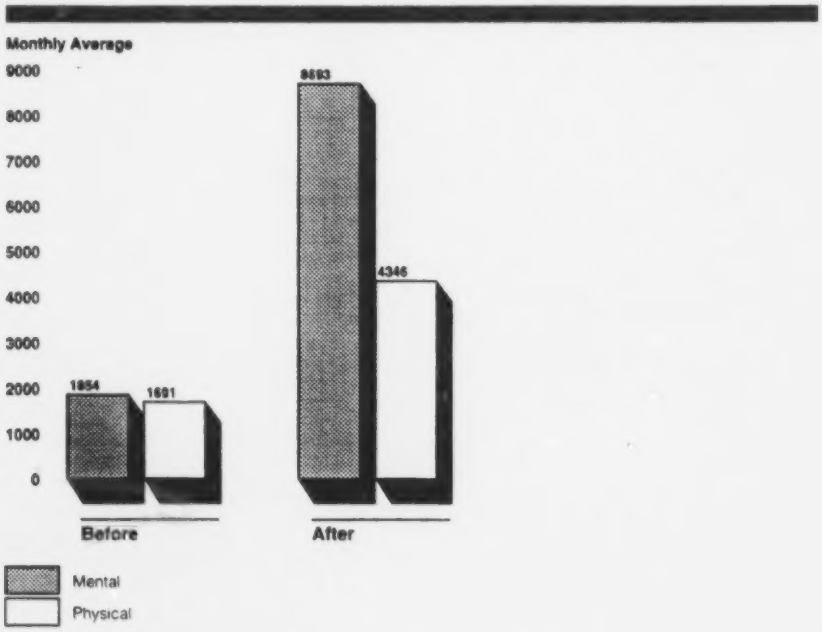
Source: Analysis of SSA's 831 file.

Awards Quadrupled to Children With Mental Impairments

Even more pronounced than the growth in applications for children with mental impairments is the growth in awards. Both awards based on the medical standards and awards based on the new functional assessment process grew more for those with mental impairments than for those with physical impairments.

Total awards to children with mental impairments more than quadrupled after the changes, rising from 1,900 per month to 8,700 per month; at the same time, awards to children with physical impairments rose from 1,700 per month to 4,300 per month. (See fig. 6.) After the changes, children with mental impairments received two-thirds (67 percent) of all awards, compared with about half (52 percent) before.

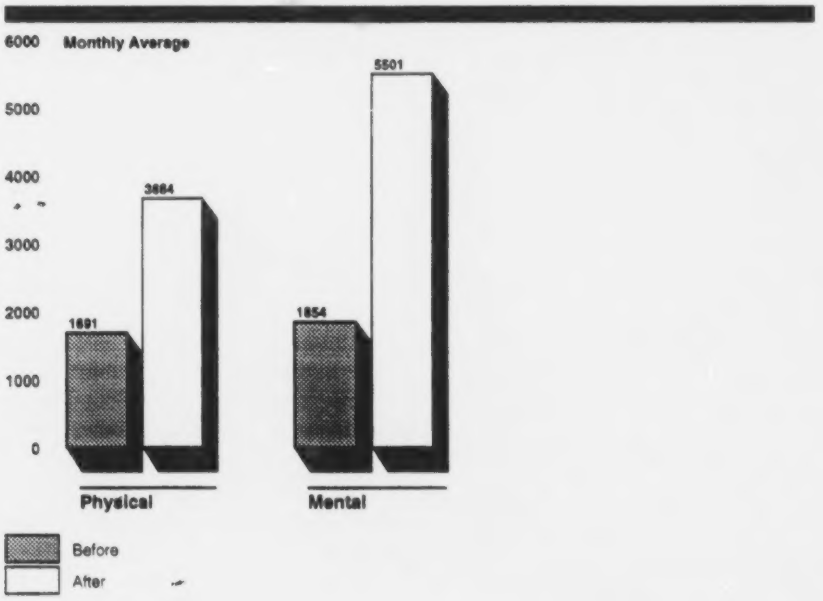
Figure 6: Larger Increase in Awards to Children With Mental Impairments



Source: Analysis of SSA's 831 file

The effect of the revised and expanded medical standards for childhood mental impairments can be seen in the rapid growth in the number of children with mental impairments awarded disability benefits based on the new medical standards. Awards based on the standards to children with mental impairments almost tripled, from 1,900 per month before the standards changed to 5,500 per month afterwards. Over the same time, awards to children with physical impairments based on the standards more than doubled, from 1,700 per month to 3,700 per month. (See fig. 7.) Before the changes, 52 percent of awards based on the standards went to children with mental impairments; after the changes, 60 percent did. This growth in mental impairment awards based on the medical standards accounts for 53 percent of the total growth in awards to children with mental impairments.

Figure 7: Medical Standards Awards Increased More for Children With Mental Impairments



Source: Analysis of SSA's 831 file

Children with mental impairments received most of the awards based on the new functional assessment process mandated by Zebley as well. More than four-fifths (82 percent) of all awards based on the new functional assessment process went to children with mental impairments; an average of 3,200 children with mental impairments and 700 children with physical impairments received awards based on functional assessments each month. This new process accounts for 47 percent of the total growth in awards to children with mental impairments.

Award Rate Higher for Children With Mental Impairments

Awards to children with mental impairments grew at a faster rate than awards to children with physical impairments. The award rate for children with mental impairments rose 23 percentage points (from 50 percent before the changes to 73 percent after), while the award rate for children with physical impairments rose 8 percentage points (from 32 percent to 40 percent). Even more significantly, more than half of the children with

mental impairments on whom functional assessments were done (53 percent) received awards compared with less than one-sixth (14 percent) of children with physical impairments.

Most Awards for Mental Impairments Go to Children With Mental Retardation

After the regulatory changes went into effect, a total of 196,800 children—or 8,700 children per month—received awards because of mental impairments. Almost two-thirds of these children—120,300 total, or 5,300 per month—received awards because of mental retardation. This represents 41 percent of all awards. In contrast, one-fifth of these children—39,400 total, or 1,700 per month—received awards because they had diagnoses of attention deficit hyperactivity disorder, personality disorders, or autism and other pervasive developmental disorders—mental disorders that have been broadly characterized as "behavior problems." Children with these diagnoses represented 13.3 percent of all awards.[13]

Because SSA revised its medical standards for childhood mental impairments in December 1990, it is not possible to compare the number and percentage of children receiving benefits because of specific types of mental impairments before and after the standards changed. The new medical standards recategorized the groupings of mental impairments, adding some new categories—such as autism and other pervasive developmental disorders and attention deficit hyperactivity disorder—that were not specifically identified in the former medical standards for childhood mental impairments.

Trend Continuing for 1993

Our data for the period after the regulatory changes cover the results of disability decisions SSA made on children from February 11, 1991, through the end of 1992. Data from SSA for 1993 show that awards to children with mental impairments continued to rise sharply.[14] (See table 2.)

[13]SSA and the HHS Office of the Inspector General have noted problems with the way SSA's computerized record of disability decisions codes mental impairment cases. Some behavioral disorders have been coded as "other" or as "mental retardation" cases. The exact extent of these coding anomalies is unknown.

[14]Our data include the results of initial determinations and reconsideration decisions made by DDSs. They include Zebley classmembers whose cases were readjudicated since February 11, 1991, for whom benefits had been denied or terminated from 1980 to 1987. SSA's data include initial determination decisions made by DDSs on persons applying for the first time.

Table 2: Awards to Children With Mental Impairments, February 11, 1991, Through December 31, 1993

Mental impairment	2/11/91 - 12/31/92 Monthly average	2/11/91 - 12/31/92 Percent of mental impairment awards	1/1/93 - 12/31/93 Monthly average	1/1/93 - 12/31/93 Percent of mental impairment awards
Mental retardation	5,315	61.1	7,081	56.9
Attention deficit hyperactivity disorder	878	10.1	1,690	13.6
Personality disorders	614	7.1	936	7.5
Autism/other developmental disorders	249	2.9	364	2.9
Organic mental disorders	264	3.0	378	3.0
Schizophrenic/other psychotic disorders	84	1.0	131	1.0
Mood disorders	352	4.1	582	4.7
Anxiety disorders	282	3.2	338	2.7
Alcohol dependence disorders	8	0.1	11	0.1
Drug dependence disorders	5	0.1	13	0.1
Somatoform disorders	5	0.1	9	0.1
Eating and tic disorders	21	0.2	23	0.2
Developmental/emotional disorders of infants	211	2.4	381	3.1
Other	404	4.7	504	4.1
Total	**8,693**	**100.0**	**12,441**	**100.0**

Source: Analysis of SSA's 831 file and information from SSA.

About 149,300 children—12,400 per month—received awards in 1993 because of mental impairments. Children with mental retardation received 57 percent of these awards and 39 percent of total awards. This represents a slightly smaller portion of both mental impairment and total awards than through 1992, even though the actual number of such awards grew to 85,000, or 7,100 per month—up from 5,300 awards per month through 1992.

Children with attention deficit hyperactivity disorder, personality disorders, and autism and other pervasive developmental disorders received a larger portion of awards due to mental impairments and total awards in 1993. Such children received a total of 35,900 awards—3,000 per month—or almost one-quarter (24 percent) of all awards to children with mental impairments and almost one-sixth (16 percent) of total awards in

1993. This represents a 72-percent increase in the actual number of awards from 1,700 per month through 1992.

Conclusions

While it is commonly thought that the number of children receiving SSI disability benefits has grown dramatically because of the Zebley decision, our analysis presents a more complicated picture. Clearly, many of the children now on the rolls are receiving benefits because they qualified under the new functional assessment process mandated by Zebley. But the Congress had already mandated that SSA change its criteria for assessing mental impairments, and children qualifying under the resulting regulations constitute a significant portion of new awards. Recent congressional debate and legislative proposals highlight national interest in the SSI program for children. This report analyzes the nature of the newly emerging caseload to aid the Congress in its deliberations on whether the program is meeting its expectations or whether legislative changes are needed.

Agency Comments

We did not request written comments from HHS on a draft of this report. However, we discussed the draft with SSA staff and have incorporated their comments where appropriate.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to interested parties and make copies available to others upon request.

Please contact me on (202) 512-7215 if you have any questions about this report. Other major contributors are Cynthia Bascetta, Barry Tice, Ellen Habenicht, Linda Baker, and Mary Ellen Fleischman.

Sincerely yours,

Jane L. Ross

Jane L. Ross
Associate Director,
Income Security Issues

Contents

Letter 1

Appendix I Scope and Methodology 22

Tables

Table 1: Growth in Awards by Type of Impairment and Basis of Award 3
Table 2: Awards to Children With Mental Impairments, February 11, 1991, Through December 31, 1993 17

Figures

Figure 1: Changes to SSA's Criteria for Evaluating Disability in Children 4
Figure 2: Sequential Evaluation Process for Adults Versus Children 6
Figure 3: An Increasing Number of Children Receive SSI 10
Figure 4: Growth in Applications and Awards 11
Figure 5: Larger Increase in Applications for Children With Mental Impairments 13
Figure 6: Larger Increase in Awards to Children With Mental Impairments 14
Figure 7: Medical Standards Awards Increased More for Children With Mental Impairments 15

Abbreviations

DBRA	Disability Benefits Reform Act of 1984
DDS	disability determination service
IFA	individualized functional assessment
HHS	Health and Human Services
RFC	residual functional capacity
SSA	Social Security Administration
SSI	Supplemental Security Income

Appendix I

Scope and Methodology

To analyze the growth in Supplemental Security Income disability awards to children since the Social Security Administration changed its criteria for determining children's eligibility for disability benefits, we obtained SSA's computerized records on the results of initial determination and reconsideration disability decisions made by disability determination services on children under age 18 from 1988 through 1992. These records exclude the results of disability decisions made by administrative law judges. We compared the results of disability decisions made 2 years before and 2 years after the criteria changed. The first period covers decisions made from January 1, 1988, through February 20, 1990—the date of the Sullivan v. Zebley Supreme Court decision. The latter period covers decisions made from February 11, 1991—the first date both regulatory changes were in effect—through December 31, 1992.

We determined what portion of new awards was due to children qualifying under the new functional assessment process and what portion was due to children qualifying under SSA's medical standards. We also classified children according to their primary diagnosis to determine what portion of the new awards was attributable to children qualifying on the basis of mental versus physical impairments. Among children with mental impairments, we identified the portion of those who qualified on the basis of mental retardation and on the basis of other mental disorders, focusing in particular on awards to children with attention deficit hyperactivity disorder, personality disorders, and autism and other pervasive developmental disorders—mental disorders broadly characterized as "behavior problems." To determine whether awards to children with "behavior problems" are growing, we supplemented our data for the period after the regulatory changes with data for 1993 from SSA. Before the medical standards for childhood mental impairments changed, SSA's computerized records did not separately identify awards made because of the three "behavior problem" categories of mental disorders.

We excluded 139,400 children who had applied during 1988 through February 10, 1991, from our universe of 652,100 children on whom decisions were made from February 11, 1991, through the end of 1992. We did this to minimize the extent to which data from our comparison periods reflect the result of cases readjudicated as part of the settlement in the Zebley class action lawsuit. About 287,900 Zebley classmembers for whom benefits were denied or terminated from January 1, 1980, through February 11, 1991, have had their cases readjudicated as of March 1, 1994. We were not able to identify or exclude Zebley classmembers for whom benefits had been denied or terminated from 1980 through 1987 from

either comparison period. According to SSA, Zebley classmembers are more likely to have physical impairments than the general population of new SSI child applicants. Thus, our data on applications and awards for both periods may include an unusually high number of children with physical impairments. We did, however, obtain information on the results of these cases and report them separately from the results of our comparison.

We supplemented our analysis of SSA's computerized records on awards to children with data from SSA on the total number of children and adults receiving SSI disability benefits. We used these data to determine whether children constitute a growing portion of the SSI rolls.

We did our work at SSA headquarters in Baltimore, Maryland, from August 1993 through April 1994 in accordance with generally accepted government auditing standards.

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